

The Honorable Bill Thomas
United States House of Representatives
Washington, DC 20515

Dear Chairman Thomas:

We, the undersigned companies, are writing to commend you for proposing to extend and expand the R&D tax credit as part of The American Jobs Creation Act of 2003.

The R&D tax credit provides companies with a critical incentive to maintain and increase their investment in U.S.-based research and development. Enactment of a multi-year extension now - before the credit expires - will help businesses plan longer-term R&D investments, and your proposed expansion of the credit will provide a meaningful incentive for even more businesses to locate R&D activities in the United States.

More fundamentally, extension and expansion of the credit will help support domestic jobs, grow the economy, and help to make companies that perform R&D in the United States more competitive in world markets.

We thank you for your support of U.S.-based R&D and your leadership in introducing The American Jobs Creation Act, which also makes other important improvements to U.S. tax law that will strengthen American competitiveness.

Sincerely,

COMPANY

3M
Agilent Technologies, Inc.
Air Products and Chemicals, Inc.
Alcatel
Ashland Inc.
AT&T Corp.
Avaya Inc.
Bell South
BMC Software
Bristol-Myers Squibb Company
Cisco Systems, Inc.
The Dow Chemical Company
Eastman Kodak Company
eBay Inc.
EDS
Exxon Mobil Corporation
Genentech
General Motors Corporation
Guidant Corporation
Hewlett-Packard Company
International Business Machines Corporation
Johnson & Johnson
Medtronic
Merck & Co., Inc.

Oracle Corporation
Pfizer Inc.
Procter & Gamble
Sabre Holdings
SAIC
SBC Communications, Inc.
Sony Corporation of America
Sun Microsystems, Inc.
Sunoco Inc.
Telcordia Technologies
Texas Instruments
The Timken Company
Worldspan, L.P.
Wyeth
Xilinx, Inc.